GOVERNMENT OF INDIA
COAL
LOK SABHA

STARRED QUESTION NO:223
ANSWERED ON:05.12.2000
PRIVATE PARTICIPATION IN COAL SECTOR
SUBODH MOHITE;SUSHIL KUMAR INDORA

Will the Minister of COAL be pleased to state:

(a) whether a final decision has been taken by the Government to promote the participation of private sector in the field of production and distribution of coal;

(b) if so, the details thereof indicating the specific projects identified for the purpose;

(c) the time by which the decision is likely to be implemented; and

(d) the other steps taken to upgrade the coal sector?

Answer

MINISTER OF STATE FOR COAL (SHRI N.T.SHANMUGAM)

(a) to (d): A statement is laid on the Table of the House.

Statement referred to in reply to Lok Sabha Starred Question No.223 for answer on 5.12.2000.

(a) to (c): The Coal Mines (Nationalisation) Act, 1973 was amended in June, 1993 allowing private sector participation in coal mining for captive consumption for power generation, iron & steel production, washing of coal and such other end-use as the Central Government may specify. From 15.3.96, captive mining of coal for cement production has been allowed.

The Central Government has taken a decision
(i) to allow Indian companies to mine coal and lignite without the existing restriction of captive consumption and
(ii) to engage the Indian companies in exploration of coal and lignite resources in the country, subject to legislative changes. In order to implement the decision the Coal Mines (Nationalisation) Amendment Bill, 2000 has been introduced in the Rajya Sabha on 24.4.2000 to amend the Coal Mines (Nationalisation) Act, 1973.This decision can be implemented only after the Bill is enacted by the Parliament and therefore it will not be possible to indicate any time frame in the matter. Any specific projects can be identified only after the decision is implemented and responses are received.

(d): The other steps taken by Coal India Limited to upgrade the coal sector include measures for improvement in productivity, capacity utilisation, quality-enhancement and consumer satisfaction.